

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
Charlotte Division**

In re:

TSI Holdings, LLC¹ et al.,

DEBTORS.

CASE NO. 17-30132

CHAPTER 7

Jointly Administered

**NOTICE OF TRUSTEE'S INTENT TO HOLDBACK CERTAIN
DISTRIBUTIONS AND NOTICE OF HEARING**

To: J.D. Phillips

TAKE NOTICE that on July 9, 2018, the Bankruptcy Court considered and approved *Trustee's Amended Motion for Approval of Interim Distribution to Creditors of the Ponzi Entities* (D.E. 281) (the "Motion") approving an interim distribution to Allowed Claimants in the TSI Holdings, LLC, WSC Holdings, LLC, and SouthPark Partners, LLC cases. Though you are an Allowed Claimant in one of these cases, the Trustee believes that you have net-winnings (a net-winner in a Ponzi scheme is an investor that received or withdrew more money than that investor invested in the scheme) in another one of these cases and/or are potentially subject to a claim by the Trustee. The Trustee has requested that funds sufficient to cover the net-winnings and/or other claim be reserved from your allowed interim distribution and put in an escrow account until further order of the Court as detailed below:

| | | |
|----------------|---|---------------|
| J.D. Phillips: | Allowed Claim in WSC | \$ 150,000.00 |
| | Proposed Holdback | \$ 150,000.00 |
| | Proposed amount of interim distribution | \$ 0.00 |

Your rights may be affected. You should read this Notice carefully and discuss it with your attorney, if you have one in this bankruptcy case. (If you do not have an attorney, you may wish to consult one.)

At the July 9, 2018 court hearing the Trustee was directed to send this notice to you to give you the opportunity attend a hearing on **July 19, 2018 at 2:00 p.m.** to address the Trustee's proposal to holdback funds from your interim distribution as set forth herein until further Order of the Court.

¹ These jointly administered cases are those of the following debtors: TSI Holdings, LLC, Case No. 17-30132, WSC Holdings, LLC Case No. 17-30338, SouthPark Partners, LLC Case No. 17-30339 and Sharon Road Properties, LLC Case No. 17-30363.

If you want the Court to consider your views on the proposed holdback then you or your attorney must attend the hearing which will be held at **2:00 p.m.** on **July 19, 2018**, in the Bankruptcy Courtroom on the first floor of the **United States Courthouse, Charles Jonas Federal Building, 401 W. Trade Street, Courtroom 1-4, Charlotte, North Carolina.**

If you or your attorney do not take these steps, the Court may decide that you do not oppose the relief requested by the Trustee and may enter an order approving the requested holdbacks.

This is the 10th day of July, 2018.

/s/ Anna S. Gorman

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the ***NOTICE OF TRUSTEE'S INTENT TO HOLDBACK DISTRIBUTIONS AND NOTICE OF HEARING*** was served on all parties requesting notice through the Court's electronic noticing system including the Bankruptcy Administrator and via email as set forth below:

James F. Wyatt, III
Wyatt & Blake, LLP
435 East Morehead Street
Charlotte, NC 28202
Attorneys for J.D. Phillips

jfw@wyattlaw.net

This the 10th day of July, 2018.

/s/ Anna S. Gorman
Anna S. Gorman
Grier Furr & Crisp, PA
101 North Tryon Street, Suite
Charlotte, NC 28246

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